The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter December 20, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

Abundance changes the value of things.—Terence.

WHOLE NO. 955. WILLIAM GREEN, President WASHINGTON, D. C., SATURDAY, JULY 27, 1929. FRANK MORRISON, Secretary VOL. 19, NO. 20.

GARMENT WORKERS BLAZE NEW PATH

An agreement that ends the 10-days' general strike in the New York cloak industry breaks new ground for adjustments of industrial disputes.

The agreement creates a commission for the cloak and suit industry, a voluntary organization of representatives of the International Ladies' Garment Workers' Union, the three organizations of employers and three unattached citizens. Raymond V. Ingersoll has wide powers as impartial chairman.

Unrestricted publicity will be a feature of the commission's work. Employers will only employ trade unionists and will cease patronizing sweatshops. Several chain store and mail order houses note the increased opposition to low-standard shops and hasten to pledge their aid. They may buy sweatshop goods, but at the cost of wide publicity.

The agreement is the first time employers and employed joined with representatives of the public to stabilize an industry.

Former attempts have been marked by voiceless workers and the non-union shop. The late Judge Gary was czar of the steel industry but he spoke for workers as well as the corporations both inside and outside of that trust.

In the present agreement 100 per cent trade unionism is recognized. The workers join their union and employers join their respective associations.

The basis is voluntaryism. If an employer declines to join his association he must pay his share of maintaining that organization and he must recognize fixed standards. If he patronizes sweatshops he will pay the cost by publicity of this unsocial act.

The agreement is a reversal of employers' usual policies and recognizes labor's right to a voice in industry. It repudiates jungle law and substitutes co-operation for anti-unionism that low-wage employers, their agents and so-called industrial engineers persist in calling the "open" shop.

The new policy will eventually be established in every industry. This is logical and inevitable. Workers must have a voice in production and employers must voluntarily —or be compelled to—appreciate that trade unions are here to stay.

The more quickly this fact is accepted, and the more quickly workers have imagination to realize the possibility of unity, the quicker the nation will approximate peace in industry.

This objective can only be reached by organization of workers. The will to do brings power and respect, as the New York garment workers have so vividly shown.

INJUNCTION PROCESS HAS TRAPPED EDITORS

Cleveland, July 27.—The Cleveland Press criticized Common Pleas Judge Frederick P. Walther for restraining the sheriff from enforcing the law against race track betting.

Louis B. Seltzer, editor, and Carlton K. Matson, chief editorial writer, were arrested for contempt and each sentenced to 30 days in jail and a $500 fine. The newspaper men appealed the decision and were released on bond.

The Walther writ is the usual labor injunction. The sheriff was interfering with the track owners' prosperity, just as a strike interferes with the profits of an employer. The sheriff is sworn to uphold the law and is acting within his rights, as employes are within their rights when they suspend work.

Freedom of the press and individual rights of workers are subordinated by the injunction judge in his sole purpose to stop any interference with profits that are now classed as "property."

Organized labor's solution for this problem is to reinstate the definition of property as found in every standard dictionary. The injunction judge will then be limited to tangible, transferable property, the protection for which there is no remedy at law.

Federal Deputies On Street Cars Should Be Replaced By Peace Plan

—WILLIAM GREEN, President A. F. of L.

Washington, July 27.—Federal deputy marshals on strike-bound street cars in New Orleans was protested by William Green, president A. F. of L., in a letter to United States Attorney General Mitchell.

"I do not feel that the Department of Justice can escape responsibility in this matter by stating that the employment of a large number of deputy marshals in New Orleans, assigned to ride street cars, comes under the discretion of the Federal court," said Mr. Green. "The facts are that these deputy marshals could not be hired and paid unless your department authorized such procedure.

"Furthermore, if your department may assign hundreds of deputy marshals in this case, would it not be possible to employ additional hundreds of thousands? If that course can be followed in this case it is reasonable to conclude that the same course can be pursued by the Federal Government in all industrial controversies. Is this to be the settled policy of the Federal Government in dealing with strikes and industrial controversies?

"There is a department of the Federal Government created for the purpose of bringing about a settlement of industrial controversies upon a rational, peaceful and modern-day basis.

The workers in New Orleans have offered to abide by the decision of an arbitration tribunal. They have, without reservation, agreed to submit all questions in dispute to the Secretary of Labor for final decision and to abide by his decision, the street car corporation to resume operation pending the settlement by such arbitration tribunal.

"In spite of this fair proposal the arbitrary, powerful public utility corporation in New Orleans seeks to flaunt public opinion, to reject arbitration and to compel, by force of arms and unlimited money, submission to their dictated terms."

EMPLOYES' STOCK OWNERSHIP IS JUGGLED BY "INSIDE" GROUP

Philadelphia, July 27.—Employes of the Philadelphia Rapid Transit Company are wondering if they are not "hooked" by the Mitten employes' stock ownership scheme, named after Thomas Mitten, head of the company. Employes buy company stock with their wage increases. The stock is controlled by a Cooperative Welfare Fund.

The employes' representatives who are trustees of the fund were induced to exchange the 221,500 shares of company stock held by them for preferred stock of the Mitten Bank Securities Corporation that operates Rapid Transit Company and other Mitten properties.

Rapid Transit stock, which employes no longer own, has since soared to record prices on the local stock exchange, following a $600,000 "surprise" melon cut by Rapid Transit directors. They declared an extra $1 dividend. It is whispered that insiders in the Mitten group are buying the stock in the hope of securing an increase in street car rates.

The employes' Welfare Fund owned 221,500 shares of Transit stock. Market value of the Mitten Bank Securities Corporation preferred stock received in exchange is $11,175,000. Had the exchange not been made the Welfare Fund would have been $2,215,000 richer.

If the Welfare Fund held its Transit stock it would receive in 1929, including the extra dividend just declared, $1,107,500 in dividends. Instead, the Welfare Fund will receive $775,250 in bank dividends, a difference of $332,250.

A feature of this high financing that employes can not understand is that dividends for their bank holdings will be paid out of Transit stock which they surrendered.

These employes are questioning the business ability and even the honesty of their representatives on the Welfare Fund who allowed themselves to favor the exchange, and who are supposed to guard the employes' interests. The employes are also questioning the good faith of some of their professed "friends" in Mitten Management, Inc.

The Mitten employes' stock-ownership is extensively advertised. These employes have been praised for their "far-sightedness" in accepting a plan that "ends strikes" and makes trade unionism unnecessary.

WHY UNIONS ARE OPPOSED

The A. F. of L. has issued a summary of profits by leading auto manufacturers during 1922-28.

General Motors' stockholders in 1923 were paid $31,000,000. Dividends in 1928 totaled $174,000,000, or five times the 1923 figure.

Nash issued a 900 per cent stock dividend in 1926, and Ford surplus increased 48 per cent from 1923 to 1927.

If a person invested $100 six years ago in what is now Chrysler stock, the value, last year, would be $1,977.

While these huge profits were quietly distributed to a comparative few, wages of auto workers advanced less than $62 a year.

Wage gains of Detroit organized building craftsmen during the same period ranged from $11 to $22 a week.

Can't unorganized employes in these auto concerns, in steel plants, in the harvester trust shops, in chain stores and other combines realize why trade unionism is resisted?

Is it strange that stockholders oppose the one movement that enforces a wider distribution of wealth?

There is a reason for company "unions," welfare work and other forms of paternalism.

URGE LESS PRODUCTION

The Textile World, "the world's textile authority," published in New York City, advises the cotton-textile industry to curtail production "if an economic balance between production and consumption is to be restored and prices stabilized."

If this "drastic curtailment" is not enforced the industry "may look forward confidently to a repetition of the depression that followed the unbridled activity of the first half of 1927," the editor warns.

And in the meantime organized labor in the South are kidnaped and mobbed when they suggest that workers organize and reduce the long work day.

LABOR EDITOR URGES QUICK MOONEY PARDON

Cincinnati, July 27.—An end to the procrastinating policy of Governor Young of California and an immediate pardon for Tom Mooney is demanded by Robert T. McCoy, editor of the Molders' Journal, in a stinging editorial.

"The conviction of Tom Mooney will go down in history as one of the rankest frame-ups in the annals of American jurisprudence," says the labor editor.

"All of the principal witnesses in this case have since made affidavits that they testified falsely against the accused. His continued incarceration is a disgrace to the State of California.

"The trial judge, two of the prosecuting attorneys and a majority of the jurors declare their belief in the innocence of Mooney. They have even signed petitions requesting that the Governor grant executive clemency in the form of a complete, unconditional pardon. But Mooney languishes in prison. His only hope for freedom rests in the Governor's hands.

"The case of Mooney's frame-up to convict Mooney is complete. It is painfully disgusting to witness the procrastination of the Governor, who has stated that he will review the case at his leisure.

"At his leisure!

"Is the freedom of a man of so little importance to the Governor that it can await his leisure? A case such as this calls for the earliest consideration of an executive, be he Governor or President. Freedom of a human being is not a thing to be toyed with. Injustices like this are contributing largely to the present disrespect for law."

LESS CLERICAL LABOR THROUGH MASS OUTPUT

New York, July 27.—Voluminous clerical work was expected when a mass production was installed, but now the "white collar" worker can be dispensed with, according to Miller, Franklin & Co., industrial accountants in this city.

The elimination of this unnecessary expense, it is stated, means millions of dollars to stockholders. What is termed a "superficial study" of one large corporation resulted in a saving of "close to $850,000 a year in clerical salaries."

"Direct labor costs, generally speaking, are low in comparison to what they were a few years ago. Indirect labor costs, chiefly clerical, in the factory, the sales department and in general business offices are too high," the accountants declare.

"Many concerns which have achieved mass production fail to realize that they no longer need the complicated production planning and other systems that require a multitude of clerks to operate."

WORKERS JOIN UNION WHEN STRIKE IS WON

New York, July 27.—Thousands of cloak makers are flocking to the International Ladies' Garment Workers' Union following the successful 10-day general strike in this city.

The agreement provides for creation of a committee that will supervise the industry and union conditions will prevail. More than 30,000 unionists were involved, but their triumph has not been unnoticed by thousands of other workers in this trade who must belong to the union.

Union headquarters have been swamped with applications for union cards. Receipts in three days totaled $65,000. Receipts for one day exceeded $25,000.

SWEAT SHOP DOOMED IN DRESS INDUSTRY

New York, July 27.—With stabilization assured for the cloak industry, following the general strike of these workers, the International Ladies' Garment Workers' Union announces a drive on the numerous sweatshops in the dress industry.

Benjamin Schlesinger, president international union, said that information was at hand showing conditions similar to the joint commission in the cloak industry must be established.

"We are determined to police the chaotic dress industry and see that our workers get a decent wage. As a matter of fact, only 10 per cent of the dressmakers earn a living wage," said Mr. Schlesinger.

"Of the 45,000 workers in this industry, three-quarters are girls and married women. They are, to a large extent, exploited worse than their brothers in the sweatshop and sub-standard shops of the cloak industry.

"In the dress industry the padrone system prevails to an almost unbelievable extent. In a shop where a large group may be working two or three may receive the wages for the group and then parcel out meagre amounts to the others. Cut-throat competition is as harmful to the manufacturers as it is to the workers who invest their youth and their health in the industry."

CITY WAGE BLOCKED BY HIGH COURT RULE

Duluth, Minn., July 27.—The proposed city wage ordinance has been declared illegal by City Attorney Forbes because of a decision by the State Supreme Court on similar legislation passed by the Milwaukee common council.

The Milwaukee ordinance provided that wages on public construction "shall be the established and current rate of wages paid for such hours by employers of organized labor within the city."

The State Supreme Court was shocked at this legislation which, it declared, took from city officials "the judgment required to fix and determine a prevailing wage scale."

Such an ordinance, the court declared, "amounts to nothing less than a surrender by the members of the common council of the exercise of their independent, individual judgment in the determination of a matter of legislative concern. If the members of the common council act upon the subject at all, the determination of such outside body rather than their own shall control."

The court's sharp reasoning on the attempt of workers to stabilize wages does not apply to the price of cement, steel, brick and other commodities that are set by associations of manufacturers and are accepted without question by the city and contractors.

IRON SELF-CONTROL WOULD UPHOLD LAW

New York, July 27.—Our school system has failed to foster a spirit of discipline and a respect for order, according to Dr. William C. Bagley, professor of education in Columbia University.

"There has been too much soft sentimentalism and emphasis on individualism in the training of children. We cannot build our democratic structure on the shifting sands of soft pedagogy. There must be iron in the blood of education and lime in the bone. The freedom that is thinkable today is disciplined freedom. In the individual, as in the race, true freedom is always a conquest, never a gift. For the motto of an educational theory meet for the needs of democracy in an increasingly industrialized civilization, I suggest the phrase, 'Through Discipline to Freedom.'"

UNIONISM NEEDED TO ENFORCE WAGE

Denver, July 27.—Bakery interests in this city have appealed to the Industrial Commission that they would not abide by the board's wage ruling if it were favorable to bakery salesmen.

Under the law neither employer nor employed can change work conditions without giving the commission at least 30 days' notice. Bakery salesmen are organized and ask for a wage guarantee of $25 a week.

The employers' frank statement is a shock to those citizens who put their faith in law as a solution for industrial disputes.

SAFETY IN BUILDING IS NOT IMPOSSIBLE

Harrisburg, Pa., July 27.—The State Department of Labor and Industry has proven that safety in building construction is not impossible. The department's new $3,000,000 office building has been erected in this city with no fatality and only six accidents of two or more days' duration.

More than 1,750 tons of structural steel were installed by six derricks and not one employe was hurt. The number of employes averaged 250; the peak was 450.

As soon as ground was broken for the building the State Bureau of Inspection arranged with the general contractor and sub-contractors to organize a safety committee and appoint a safety inspector. Every Tuesday afternoon all superintendents and foremen, the safety inspector on the job and representatives of the State Bureau of Inspection met to discuss safety problems and eliminate hazards.

PERMIT PICKETING TEN PACES APART

New Brunswick, N. J., July 27.—Striking girl employes at the General Cigar Company plant may have five pickets at a distance of "not less than 10 paces apart."

Vice Chancellor Buchanan revised his sweeping temporary injunction to this effect with the approval of company attorneys.

A. F. of L. Organizer Hilfers is assisting the girls to secure decent conditions. Affidavits show that some of the strikers are under 16 years and operate machines. The work day is 10 hours, which includes a rest period each morning and afternoon. During the "rest period" girls are compelled to clean their machines.

Architects Favor Five-Day Week; Issue Not Contractors' Function

Vancouver, B. C., Canada, July 27.—Saturday morning work in the building industry is unsatisfactory and the five-day week should be established, said S. M. Eveleigh, honorary secretary Architectural Institute of British Columbia, in a letter to W. Page, secretary Building Trades Council of this city.

The institute favors the five-day week just as soon as existing agreements are fulfilled.

Mr. Eveleigh says architects represent the owner, and it is not the function of contractors and material men to pass on wages or hours.

"In the adjustment of any labor matters," explains the honorary secretary, "the building crafts in all trade union subdivisions should remember that the conception of a building operation and the arrangement for money to pay for wages and material are the function and duty of the owner, and not of the contractor, and the owner's opinion on labor matters can be obtained from any organization of architects.

"Hence, as representing the owner in building operations, our opinion in these matters is of more importance than that of any group of contractors, whose function, while necessary and worthy of proper remuneration, is only one of organization and supply of plant, with a private speculation on a rising and falling material market for a little additional profit on the side.

"The material supply firms should not be considered. Their function is to supply the material specified at market prices, and they have nothing to do with craftsmen on a building or how many hours they work, or their remuneration.

"Modern processes and material have increased building production, notwithstanding the reduction in the hours of daily labor which have steadily decreased during the last 20 years."

"RED" STRIKERS QUIT; NOISY OUTFIT ROUTED

New York, July 27.—Communists have "called off" their strike in the fur industry that was ordered June 11. Of the 10,000 workers in the fur trade, not more than 100 quit their jobs. The Communists operated through their "red" Needle Trade Workers' Industrial Union. This paper organization was kept afloat for several weeks by intensive publicity.

The strike collapse is a hard blow at the Communists, who for a time controlled the cloak and suit and fur trades. Garment workers just won a successful strike and secured record gains through trade union effort. The "red" fiasco in the fur trade marks the end of mass revolutionary activity in this city by men who are thoroughly discredited.

M. J. MURPHY DEAD

New York, July 27.—Michael J. Murphy, vice president International Union of Operating and Steam Engineers died at his home here after a short illness. He was 64 years old.

In his youth he was active in the Knights of Labor and was master workman of the Hudson District Assembly 49, which included this city in its jurisdiction.

WANT WORKERS ADVISED

Atlantic City, N. J., July 27.—Firms having numerous employes should engage a financial adviser for them to combat the inroads made on salaries by the growth of the partial payment plan, according to E. J. Ryan in an address to a convention of commercial agents here.

STATE UNIONS TO MEET

Raleigh, N. C., July 27.—The annual convention of the North Carolina Federation of Labor will convene in this city August 12.

The gathering will be a record breaker because "organize-the-South" sentiment is sweeping this section.

FORBIDDEN TO HAUL PRIVATE CARS FREE

Washington, July 27.—Free hauling of private cars by railroads is discriminatory, declares the Interstate Commerce Commission. The commission held similar views on the practice of railroads transporting persons in these cars, including berth and other accommodations, at the rate charged passengers in an ordinary day coach.

The decision follows a long investigation by Commissioner McManamy. These private cars are supposed to be "offices on wheels." The investigation showed most of the mileage of these cars was on lines of carriers other than those owning the cars. The cars were transported over foreign lines without charge. The cars include a kitchen, dining room, staterooms and observation or sitting room, together with storage space and sleeping quarters for the cook and attendants.

Railroads that touch Southern and Eastern resorts did a heavy business in handling these cars which were then given free switching service and free storage.

"A large number of the private cars covered by the returns are idle at off-line stations when not in use," the commissioner said. "Many are so held at New York and the returns indicate that the matter of storage and switching of these cars is of considerable importance from the standpoint of operating expenditures."

Families, friends, and large shippers enjoyed transportation in these cars. Their charge was an ordinary day coach ticket.

CAR COMPANY TOOLS UP TO OLD TRICKS

New Orleans, July 27.—Bombs have been thrown by northern strike-breakers and gunmen imported by New Orleans Public Service, declared Francis Williams, chairman State Public Service Commission, at a mass meeting in this city.

The meeting was attended by 40,000 citizens who sympathize with the workers. It was the largest public gathering in the history of New Orleans.

"I am not afraid to tell the truth," said Mr. Williams. "A man who is afraid to arbitrate is not honest. If the street car company were not afraid, it would arbitrate; it would stop its propaganda."

CIGAR PLANT PROSPERS

Philadelphia, July 27.—The Bayuk Cigars Corporation reports net profits of $450,702 for the three months ended June 30 after depreciation, federal taxes and preferred dividends.

Young girls employed by this corporation in this city are attempting to organize and raise their poverty wage rate.

FOOD PRICES GO UP

Washington, July 27.—Retail food prices increased about 1 per cent between May 15 and June 15, this year, according to the United States Bureau of Labor Statistics.

MARTIN HIGGINS IS DEAD

Boston, July 27.—Martin P. Higgins, former president International Printing Pressmen and Assistants' Union, died at Compton, N. H., of heart failure. He was 72 years old.

Federal Government Can Break Strikes; Every Power Behind Injunction Judge

Federal deputy marshals who are intimidating striking street car men and other citizens of New Orleans show the crafty manner in which the Federal Government can break strikes.

The company refused wage increases and attempted to destroy the Street Car Men's Union. The issue was a purely local one, but it was given a federal aspect when United States District Judge Borah issued an injunction at the request of the New York bondholders.

These bondholders knew nothing of the controversy, but they were used by the company to remove the controversy from authorities directly responsible to the people.

Judge Borah should hold that the company could quickly end the strike by accepting the workers' offer to arbitrate. Instead of ruling that the plaintiff had other relief and that they did not come into court with clean hands, he issued the injunction. The Federal Department of Justice approves the employment of hordes of deputy marshals in theory to enforce the court's ruling, but in practice to break the strike.

Under this system a single stockholder or bondholder in a struck concern who resides in another State can secure a Federal injunction. The unlimited power at the command of the Department of Justice can then be thrown against the workers, who will no longer face the employer, but the United States Government.

No other country in the world can produce such a mean situation.

HOUSEWIVES WORK BECAUSE OF LOW WAGE

Washington, July 27.—Housewives work because of an insufficient wage paid to the bread winner, declared Miss Mary Anderson, chief of the United States Women's Bureau.

Miss Anderson objects to omitting these women from the forthcoming census of unemployed. At a conference called to agree on plans for this census the fact was raised that the housewives work for "pin money" and should be excluded.

"Pin money, indeed!" commented Miss Anderson. "I thought that old ghost was buried long ago. Our surveys have all shown, as every woman knows, that married women do not work for so-called pin money, whatever they may say. They work, just as other women do, for money because they need it.

"The married woman's earnings go into the family budget, as investigations and surveys have repeatedly shown, if proof were needed of a fact so obvious."

LABORERS ARE UNITING

Rockford, Ill., July 27.—Building and common laborers in this city are joining the union, a gain of more than 100 is reported in two weeks.

STRONG NATIONAL POLICIES BEHIND RUSS-CHINA CLASH

Washington, July 27.—War drums now sounding between Russia and China can be traced to deep-seated causes. The struggle over the Chinese-Eastern railroad, which has precipitated the present crisis will continue, Far East students believe, as Russia's historic objective is a warm water port. Russia wants a port that is free from ice the year round.

Russia has repeatedly failed to get into the Atlantic ocean, through the Straits of the Dardanelles, which Turkey controls, and in 1896 the Czar built the Chinese-Eastern railroad by contract to build a railroad across Manchuria, the richest province in all China, to the Russian port of Vladivostok, on the Sea of Japan, an arm of the Pacific Ocean. An immense territory, along railroad rights-of-way, was perpetually ceded to the Czar.

Russia's success in reaching a warm water port is believed to be the outstanding reason for the Russ-Japanese war, which resulted in a decisive victory for the latter country. Other nations, it is claimed, were not friendly to the eastern march of the Russian Bear, and secretly aided the Japanese.

Following Russia's defeat, Japan seized the southern portion of the railroad and changed the tracks to standard gauge, making it impossible to run Russian locomotives and cars, however, control the main line and several branches. When Communists overthrew the Czar, the Chinese government reclaimed its lost territory and disarmed the Russian guards in control. Later an agreement was reached between the Soviets and the national government of China, but the latter claims that the Communists violated that agreement by urging revolutionary doctrines.

The Chinese-Eastern railroad was built with foreign capital, mostly French. These bonds have been repudiated by the Soviet.

Also in the dispute are foreign debtors, international diplomacy, national aspirations, world markets and world economic factors.

An equally strong national feeling has been developed in China calls for the recovery of the portions of Manchuria which were ceded to Russia when the Eastern-Chinese railroad was built.

Russia and China have both signed the Kellogg peace pact outlawing war.

STATE PENSION BOARD WILL STUDY PROPOSALS

New York, July 27.—The State Commission on Old-Age Security has adopted a plan of research and will hold public hearings in September on proposals for old-age pensions.

Members of the commission suggested that particular attention be paid to recent tendencies to discard employes over 40 years old.

"Such a situation," said Assemblyman Bernhardt, who has studied this problem, "leaves only 22 years of earning if the workman stays in school until he is 18." He also pointed out that the pension plan under consideration would affect only 3 or 4 per cent of those now cared for in State institutions, many of whom are feeble minded, diseased or otherwise afflicted and would not be benefitted by this pension plan.

It is the purpose of the commission to study those who are suffering from poverty only with the principle in mind that these people should be cared for at home rather than herded together in a poorhouse. It is based on the principle of widows' pension laws.

RACKET GOUGERS FLEECE BUILDERS

New York, July 27.—Racketeers who operate under the guise of contractors' associations are fleecing builders and contractors in this city. Witnesses informed the district attorney they have been forced to give up contracts by threats of these racketeers. Contractors who join these associations have to pay tribute for protection and those who remain out receive threats and are otherwise molested. Another charge is that when independents secure contracts the buildings have been set on fire. The district attorney refused to divulge the names of witnesses, who fear reprisals.